

MEDIA STATEMENT 16 June 2025

MRA URGES MOF TO WAIVE SST ON COMMERCIAL RENTALS TO PROTECT RETAIL BUSINESSES & CONSUMERS

KUALA LUMPUR – The Malaysia Retailers Association (MRA) urges the Ministry of Finance to waive the planned 8% Sales and Service Tax (SST) on commercial rental and leasing services, scheduled to take effect on 1 July 2025.

Retail businesses across the country are already under immense pressure from a succession of cost increases, including but not limited to:

- The minimum wage increase to RM1,700
- Electricity tariff hikes
- Stamp duty on employment contracts
- Fuel subsidy rationalisation
- The SST rate hike from 6% to 8%
- The 10% sales tax on low-value imported goods

These are just a few examples of rising fixed operational costs. The full scope of burdens faced by retail businesses is much broader, but even these alone are already impacting business sustainability and bottom lines.

The additional 8% SST on commercial rentals — **introduced without any consultation or engagement with the retail sector** — adds further pressure. Rental is among the largest fixed costs for many businesses and this tax will push operating expenses even higher.

It is **unrealistic to expect retail businesses to absorb the full impact** and many may have no choice but to pass these costs on to consumers — contributing to inflation and intensifying the rakyat's cost-of-living burden.

Compounding these challenges is the **growing uncertainty in the global economy**, especially in light of the **recent escalation in geopolitical tensions between Iran and Israel**. This conflict has already begun affecting regional confidence, global commodity prices, and trade flows — making it an especially inappropriate time to introduce new tax burdens.

In light of these concerns, MRA strongly urges the following:

- **A complete waiver of SST on commercial rental and leasing services.**

- Or at minimum, **defer implementation sine die**, until macroeconomic and geopolitical conditions stabilise.
- If implemented, the SST should be **shared fairly between landlords and tenants**, rather than passed entirely to retail businesses.
- **Service charges and shared area fees** should be excluded from the SST scope.
- The **SST exemption threshold** should be raised to **RM2 million in annual sales** to safeguard small and independent retail businesses.
- **Defer the SST on rentals until after Visit Malaysia Year 2026** to preserve industry stability and support tourism-linked growth.
- **Introduce the SST gradually**, starting at 3% and increasing progressively to 8% over five years.

Retail businesses play a vital role in domestic economic growth and employment. It is critical that policies impacting this sector are implemented with transparency, fairness and proper stakeholder engagement.

MRA welcomes further discussion with MOF to find a balanced and sustainable approach that supports both businesses and consumers.

Issued by: Malaysia Retailers Association (MRA)

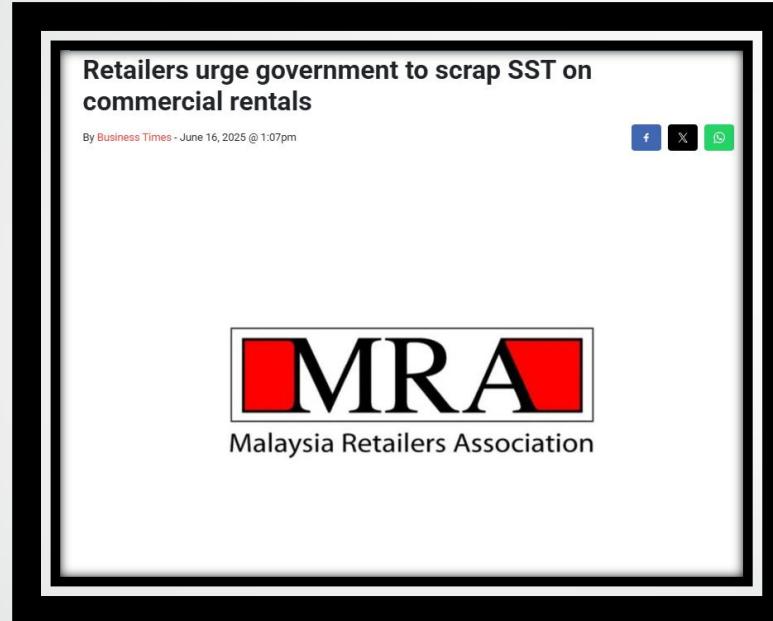
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Approved by: Datuk Andrew Lim Tatt Keong, J.P., President, MRA

The END

<https://www.dagangnews.com/article/terkini/mra-desak-batalkan-sst-ke-atas-penyewaan-komersial-perkhidmatan-pajakan-53185>

MRA desak batalkan SST ke atas penyewaan komersial, perkhidmatan pajakan



<https://www.nst.com.my/business/corporate/2025/06/1231316/retailers-urge-government-scrap-sst-commercial-rentals>

<https://guangming.com.my/mra%E4%BF%9D%E6%8A%A4%E4%BC%81%E4%B8%9A%E6%B6%88%E8%B4%B9%E8%80%85-%E4%BF%83%E5%8F%96%E6%B6%88%E5%95%86%E4%B8%9A%E7%A7%9F%E8%B5%81sst>

MRA : 保护企业消费者 促取消商业租赁 SST



<https://www.freemalaysiatoday.com/category/nation/2025/06/16/retailers-group-calls-for-full-waiver-of-8-tax-for-rental-leasing-services>

Retailers group calls for waiver of 8% tax for rental, leasing services

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The Malaysian Retailers Association says the planned tax on commercial rentals adds further pressure on its members, who are already facing a rise in fixed operating costs.



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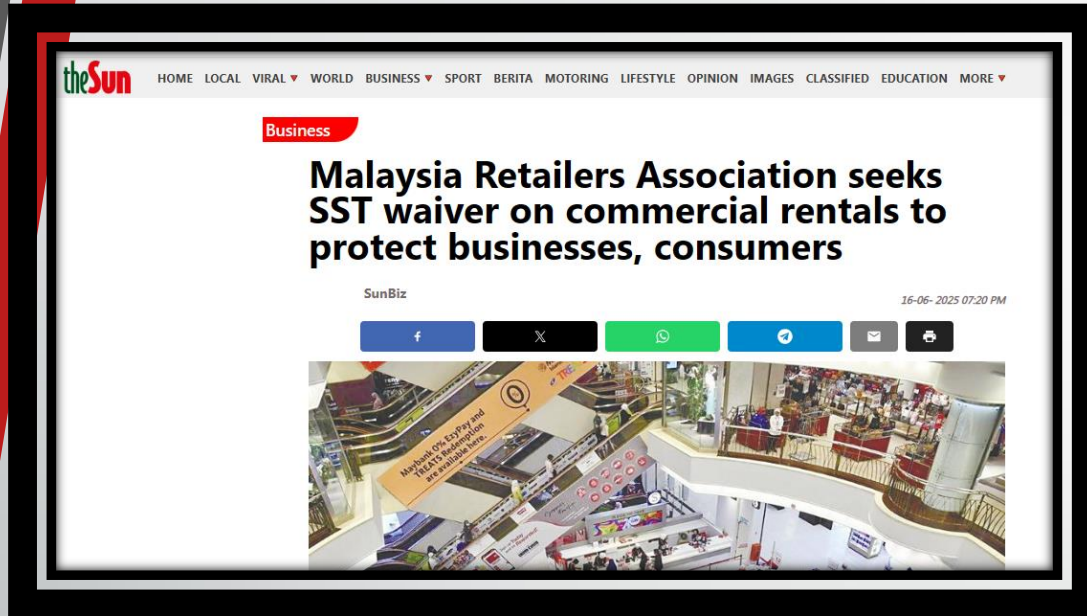
Malaysian retailers urge MOF to waive or defer SST on commercial rentals

TheEdge Mon, Jun 16, 2025 04:24pm - 17 hours View Original



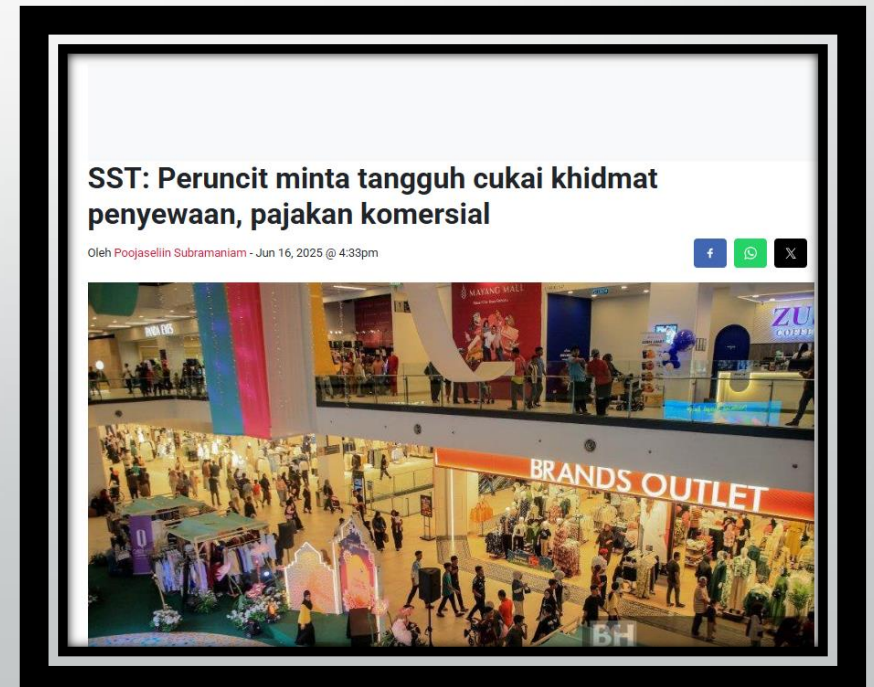
<https://www.klsescreeener.com/v2/news/view/1540365/malaysian-retailers-urge-mof-to-waive-or-defer-sst-on-commercial-rentals>

<https://thesun.my/business-news/malaysia-retailers-association-seeks-sst-waiver-on-commercial-rentals-to-protect-businesses-consumers-EP14281162>



<https://www.bharian.com.my/bisnes/lain-lain/2025/06/1408778/sst-peruncit-minta-tanggung-cukai-khidmat-penyewaan-pajakan>

<https://www.sinchew.com.my/news/20250616/nation/6620675?variant=zh-hant>





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SST 商场 租赁 零售

(吉隆坡16日讯) 马来西亚零售商协会 (MRA) 呼吁财政部豁免即将于下月1日生效的商业租赁与租用服务8%销售及服务费 (SST)，此举将进一步压垮原本已在重压下苦撑的零售业者，最终逼使商家转嫁至消费者，加剧人民生活负担。

该协会在文告中指出，有关税务政策在缺乏与业界沟通的情况下仓促推出，无疑加重了零售商的营运压力，尤其是在电费上调、最低薪金提高、印花税增加及燃油补贴调整等一连串成本冲击之下，企业已处于艰难应对阶段。

<https://www.freemalaysiatoday.com/category/bahasa/tempatan/2025/06/16/kumpulan-peruncit-gesa-dikecualikan-cukai-perkhidmatan-sewa-pajak>

<https://www.enanyang.my/news/20250616/Finance/706544>

Kumpulan peruncit gesa dikecualikan cukai perkhidmatan sewa, pajak

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Persatuan Peruncit Malaysia berkata cukai perkhidmatan sewa dan pajakan komersial itu menambah tekanan pada ahlinya.



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Ad Uranol

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